



## U.S. Department of Justice

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### **ROCKFORD LOAN OFFICER AND TWO OTHERS CHARGED WITH MORTGAGE FRAUD**

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois; and ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation, today made the following announcement:

Yesterday afternoon, a federal grand jury in Rockford returned a 14-count indictment charging Rockford loan officer **MITCHEL A. FUCHS**, (also known as “Mike Fox”), 40, of Rockford, with mortgage fraud. Also charged in the indictment were **FRANK G. ANAST**, 58, of Rockford, and **JESSICA L. GIBSON**, 25, of Loves Park, Illinois. Specifically, the indictment alleges that Fuchs, Anast, and Gibson defrauded commercial lenders by causing unqualified loan applicants to receive commercial loans.

According to the indictment, from at least 2002 through approximately August of 2004, Fuchs was employed as a loan officer at Mortgage Solutions, a mortgage brokerage company located at 2222 East State Street in Rockford. From approximately August of 2004 through at least October of 2005, the indictment alleges, Fuchs was employed as a loan officer at Leader Mortgage, located at 1437 Myott Avenue in Rockford. Both Mortgage Solutions and Leader Mortgage earned fees by assisting customers in obtaining mortgage-backed loans from commercial lenders. The indictment further alleges that from February of 2004 through August of 2004, Gibson worked for Fuchs as a loan processor at Mortgage Solutions. According to the indictment, Anast was self-employed doing computer work.

The indictment alleges that while he worked at Mortgage Solutions, Fuchs defrauded several commercial lenders by deceiving them into funding loans for unqualified loan applicants. Specifically, the indictment charges that Fuchs caused numerous fraudulent documents to be created and sent to the lenders. Among other things, the indictment alleges that: (1) Fuchs paid Anast to create fictitious pay stubs and W-2s for Fuchs’ loan customers; (2) Fuchs and Gibson falsely altered pay stubs and W-2s for other loan customers; (3) Fuchs and Gibson falsely altered credit reports for Fuchs’ loan customers; (4) Fuchs created fictitious cashier’s checks and official bank checks to falsely show that his loan customers had invested their own funds in the properties they were purchasing; and (5) Fuchs and Gibson created fraudulent investment statements in order to show that loan customers had sufficient funds available to close on the loans they were seeking. The indictment further charges that Fuchs continued to commit fraud after he left Mortgage Solutions and went to work at Leader Mortgage.

According to the indictment, the fraudulent conduct committed by Fuchs, Anast, and Gibson placed various commercial lenders at risk of losing hundreds of thousands of dollars. The indictment further states that Fuchs profited from the scheme by earning commissions on loans he arranged for unqualified applicants. The indictment also alleges that Anast and Gibson earned financial rewards for their participation in this scheme.

Fuchs is charged with thirteen counts of wire fraud and one count of interstate carrier fraud. The indictment charges Anast with eight counts of wire fraud and one count of interstate carrier fraud. Gibson is charged with four counts of wire fraud and one count of interstate carrier fraud. Each of wire fraud and interstate carrier fraud charges carries a maximum penalty of up to 30 years imprisonment and a fine of up to \$1,000,000. If convicted, the defendants' actual sentences will be determined by the United States District Court, guided by the United States Sentencing Guidelines.

Anast will be arraigned by United States Magistrate Judge P. Michael Mahoney on Thursday, December 20, 2007, at 2:30 p.m. Fuchs and Gibson will be arraigned by Judge Mahoney on Friday, December 21, 2007, at 2:30 p.m. All of the arraignments will occur at the federal courthouse in Rockford.

The case is being investigated by the Rockford office of the FBI. The case will be prosecuted in federal court by Assistant United States Attorney SCOTT A. VERSEMAN.

Members of the public are reminded that an indictment is only a charge and is not evidence of guilt. The defendants are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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